

CLAIM 1

In accordance with Applicant's invention, the credit filter (1) determines whether or not there is a minimum credit threshold available on a bilateral basis from and to the one credit granting entity and (2) only permits prices which meet this requirement to be displayed at the associated trader terminals. The credit filter makes this determination with reference to a credit utilization factor. As more clearly defined in amended new claim 1, the credit utilization factor is "determined by the credit filter for each credit granting entity as a function of at least one parameter specific to each credit granting entity and the nature of at least one financial instrument being traded." This feature of Applicant's invention is neither disclosed nor suggested in either Togher et al. or Silverman et al.

While the Authorized Officer recognizes that this feature is not disclosed in Togher et al., he argues that it is shown in Silverman et al. The Authorized Officer cites column 19, lines 33-57 of Silverman et al. as disclosing this feature. However, a careful review of Silverman et al. shows that it does not disclose the foregoing feature of Applicant's invention.

The cited portion of Silverman et al. discloses the idea of providing a credit limit alert to a trading party to let it know that "it is trading dangerously low to the assigned credit limits it has given and that those limits are going to start blocking or inhibiting trades if nothing is done about changing them." While the assigned credit limits can be considered "parameter specific to each credit granting entity," it does not vary as a function of the "nature of at least one financial instrument being traded" as required by claim 1. Thus, even if this teaching were applied to Togher et al., the resulting system would not meet Applicant's claims.

Even if Silverman et al. did disclose a credit utilization factor which varied as a function of "the nature of at least one financial instrument being traded" (which it clearly does not), Silverman et al. does not suggest using such a credit utilization factor for the purpose of blocking out price quotation messages for parties who do not have sufficient bilateral credit. If one applied the teachings of Silverman et al. to Togher et al., one would merely have the system of Togher et al. with the added feature of a credit warning (which, in fact, is disclosed in Togher et al.) when credit limits became too low.

For all of the foregoing reasons, it is strenuously submitted that claim 1 does possess an inventive step over the prior art cited by the Authorized Officer and is presently patentable.

CLAIMS 2-4 AND 9-19

Claims 2-4 and 9-19 depend from claim 1 and include all of the limitations found therein. These claims recite additional limitations which, in combination with the limitations of claim 1, are neither disclosed nor suggested in the art of record.

For example, claim 2 requires that the at least one parameter determining utilization factor "is a factor indicative of an estimated risk associated with each financial instrument traded." Neither Togher et al. nor Silverman et al. show this feature of Applicant's invention. Silverman et al. merely shows the risk that a trade may not be possible. It does not show the risk "associated with each financial instrument traded."

With reference to claim 3, the Authorized Officer suggests that the volatility of instruments being traded was known by those skilled in the art. However, there is no suggestion anywhere in the art of the desirability of utilizing this factor in a credit filter and varying the factor as a function of a parameter specific to the credit granting entity and the nature of the financial instrument being traded. There is certainly no suggestion in the art of utilizing this factor to determine whether or not there is sufficient bilateral credit between counterparties to permit the counterparties' offers to be displayed on their respective trading screens.

For similar reasons, claim 4 is believed to represent an inventive step over the prior art.

With respect to claim 9, it is recognized that Forward Rate Agreements were known by those of ordinary skill in the art. However, one of ordinary skill in the art would have no reason, absent Applicant's disclosure, to determine bilateral credit in the trading of a Forward Rate Agreement as a function of a credit utilization factor which is a function of at least one parameter specific to each credit granting entity and the nature of at least one financial instrument being traded.

While at least some of the individual limitations of claims 11-15 are shown in the prior art, there is no suggestion in the art for combining these features with Applicant's invention as defined in claim 1.

With respect to claims 16-19, the art of record is silent as to the desirability of determining bilateral credit as a function of the volatility factor of the financial instrument traded, a conversion rate for the financial instrument traded, the time to settlement of the financial instrument traded and the time between a settlement date and a maturity date of the

financial instrument traded as required by these claims. The Authorized Officer has failed to cite any prior art which suggests the desirability of utilizing these features in a credit utilization factor to determine bilateral credit and to ensure that only price quotation messages for which is bilateral credit are provided to the respective parties.

ALLOWABLE SUBJECT MATTER

Applicant is pleased to note that the Authorized Officer has recognized that claims 5-8 each contain an inventive step.

In view of the foregoing, Applicant respectfully requests that an International Preliminary Examination Report finding all pending claims to meet the requirements for Novelty, Inventive Step and Industrial Applicability be issued.

EXPRESS MAIL CERTIFICATE

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Dorothy Jenkins

Name of Person Mailing Correspondence

Dorothy Jenkins

Signature
October 27, 2000

Date of Signature

SIW:lac

Respectfully submitted,

Steven I. Weisburd

Steven I. Weisburd

Registration No.: 27,409

Ostrolenk, Faber, Gerb & Soffen, LLP

1180 Avenue of the Americas

New York, New York 10036-8403

Telephone: (212) 382-0700

EL583742537US